## **Creating Stronger Ties with an Historic Ally**

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U.S.-Australian free trade agreement (FTA) negotiations began the week of March 17, 2003, in Canberra, Australia, with subsequent negotiations already scheduled for the weeks of May 19 and July 21. The U.S. government plans to use the negotiations to strengthen the already significant bilateral commercial ties and to address barriers that U.S. exporters face in the Australian market.

Australia has been a strong market for U.S. industry for many years. Indeed, the United States maintains a trade surplus with Australia. Among other products, U.S. industry has had strong sales in information technology equipment and services, aircraft and aircraft parts, automobiles and automotive parts, medical equipment, and turbojets.

The U.S. government has highlighted a number of specific objectives for these negotiations. The United States will seek increased access to Australia's market through elimination of tariff and non-tariff barriers, which will benefit a broad range of U.S. sectors. It also will seek to facilitate the export of U.S. food and agricultural products to the Australian market, including the elimination of Australian government export monopoly arrangements, practices that adversely affect exports of perishable or cyclical agricultural products, and any unjustified sanitary and phytosanitary measures.

The United States will seek greater access to Australia's services market and the elimination of restrictions in the telecommunications, financial services, and other service sectors. It also will seek enhanced protection of intellectual property, including in the area of new technology.

Additionally, the United States is seeking the establishment of rules that would eliminate barriers to U.S. investment in Australia, including investment screening by the Australian government, as well as improved access to Australian government procurement markets.

The agreement will have provisions on labor and the environment. There will also be a state-to-state dispute settlement provision.

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